

STATEMENT OF PURPOSE

RS21465C2

This bill resolves an issue that has proven to be a source of confusion for taxpayers: the distinction between "due date" and "filing deadline." Taxpayers may lawfully file an amended return or a return claiming a refund for up to three years beyond the initial due date for a given tax year. "Due dates" fall on the 15th of April. But "filing deadlines" are sometimes extended one, two, or three days to conform with Internal Revenue Code, in years when April 15th falls on a Saturday, a Sunday, or on a holiday recognized by the IRS. Strictly speaking, this extended filing deadline does not affect the original due date of a return that was due on April 15th three years prior. Some taxpayers were being denied tax refunds of withheld or prepaid income taxes when they filed returns on the extended filing deadline, believing that their return met the requirements of the three year statute of limitations for making a claim. By changing the wording of Title 63-217(4), this bill will allow the Tax Commission to, in effect, consider the statute of limitations to be extended the same number of days as the filing deadline, when applicable.

FISCAL NOTE

None.

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